

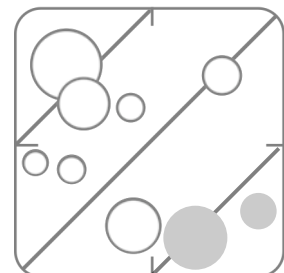
Michael Strategic Analysis
2455 Ballenger Creek Pike
Adamstown Maryland 21710

t 301 | 874 | 0235
f 301 | 874 | 0236
e mail@mcgmcg.com



2006 Member Services and Health Subject Survey *California Public Employees' Retirement System*

April 2006



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I. Summary of Findings

Conclusions from the Survey and From Trends

Following are our overall conclusions and a compilation of the findings presented at the end of each panel of questions in this survey report except the demographic panel.

Overall Conclusions

In the opinion of members, CalPERS is doing better than ever with eight of ten main measures tracked in member surveys since 1998 showing gains in member evaluation in 2006 and the other two showing insignificant declines.

Members contact CalPERS on the average about every three years and then usually by telephone, though email and web site use is increasing among active members. Member satisfaction with telephone service remains high though unreturned calls are a problem. Only four of every seven members use a computer but nearly all of these have a high-speed connection. Groups lagging in internet and email adoption are lower income and less educated.

Member knowledge of health plans and how to use them is high as is member satisfaction on virtually all health topics asked. Opportunities are clearly available to get members to manage their health better, members often have doctors prescribe generic medicines, members want continuance of the ability to change health plans at least annually, and nearly a quarter of members have duplicate health care coverage. Certain demographic groups, and not the ones which one might guess, use health management and wellness programs significantly less than do other groups.

Summary of Year-to-Year Trend Results

For virtually every opinion measured in the 2002 CalPERS Member Survey, results showed positive opinion and/or approval rising from 2001 to 2002. In 2006, CalPERS is doing better than ever in member satisfaction, with evaluations of CalPERS performance rising from 2002 for eight of the ten measures tracked since 1998. Both of the 2006 declines were insignificant one-point drops. However, there is a significant rise in the opinion that CalPERS is "too big and impersonal." As explained later, three factors other than true change of opinion could have contributed to the rise, and these factors taken together could account for as much of the rise as did actual opinion change. Nevertheless, there is nothing to indicate that actual rises in approval did not take place, and the reader may confidently conclude that in the 2006 survey CalPERS did indeed receive higher marks than in 2002, though perhaps not as much higher as measured.

Summary of Panel A Results On General CalPERS Performance

Respondents express exceptionally high confidence in CalPERS on almost all topics posed, the only exception being the perception of about a third of respondents that CalPERS is too big and impersonal. Nearly three-fourths of respondents offered no suggested improvements in CalPERS performance; of those who did, suggested improvements were predictably concentrated among health and retirement benefits, and better customer service, especially telephone service and communicating to members. Nearly all those who are concerned about recent CalPERS news mention either CalPERS financial management or, especially, State government influence over CalPERS decisions.

Summary of Panel B Results On Communicating With PERS

Members' preferences for how CalPERS contacts them depend on age and education with school members and retirees still preferring telephone and mail, and members in the other two sub-samples more prone to prefer email and the CalPERS web site. Less than a third of respondents contacted CalPERS during 2005 with four of five of them rating CalPERS telephone service as good or excellent. Apparently, nearly half the time callers were referred to a second CalPERS employee. When so referred, respondents

were contacted only 60 percent of the time when promised a call-back, a serious lapse in customer service if this is the case.

Summary of Panel C Results On CalPERS Web Site Services

Only four of seven respondents use a computer. However, this disaggregates into more than two-thirds of active members and one-third of retirees using a computer. Of those who do use a computer, three-fourths describe themselves as of at least average proficiency with nearly nine of ten having a high-speed internet connection. More than half of computer users use the CalPERS web site. Three-fourths of those who have not said that they have not had the need to. Survey respondents say that it is easy to gain access to the CalPERS web site with a pass word, to find what one is looking for on the site, and that the web site is about average compared to other web sites. One-third do not yet know how to register for seminars or workshops on the web site. Desires for improvement center on easier use of the web site to answer retirement, health and personal account questions, and more information on retirement and health plan matters.

Summary of Panel D Results On Health Benefits

Respondents' knowledge of how to enroll themselves and their dependents in a CalPERS health plan is very high. About nine of ten respondents feel secure with their CalPERS health plan coverage, that it is being provided at reasonable cost to them, and that telephone service on health matters is good or excellent. Less than a quarter of respondents used the CalPERS web site to transact health matters in 2005, with those doing so giving consistently high ratings on all aspects of their health matter experience at the web site. Seven of ten respondents who contacted CalPERS in 2005 on open enrollment did so by telephone with three-fourths of these experiencing good or excellent service. Members retain a strong preference for being able to change health plans annually. Cash payments and lower premiums are the only two incentives popular with respondents to make better life style choices. Respondents varied considerably in their opinions on the usefulness of all six wellness programs mentioned, and prefer enhanced coverage for members with healthy lifestyles to help control health care costs. Two-thirds of respondents have had their physicians prescribe generic medicines to replace brand-name medicines. Respondents have only a middling understanding of how their share of health premium costs is determined and of what happens with their health coverage when they retire. Nearly one in four respondents is enrolled in duplicate health care coverage outside of CalPERS.

Summary of Panel E Results On CalPERS Representation

Member knowledge of CalPERS elections is not high but voter participation in CalPERS elections is still higher than in national and state elections. Reasons for not voting in CalPERS elections center on not knowing about an election, scheduling, desire for more information and apathy.

II. Background of This Engagement

2006 Survey Instrument Significantly Modified from Past Years' Instruments

The questionnaire used in the 2002 CalPERS Member Survey, the most recent CalPERS survey of its members, was not formulated by Michael Strategic Analysis, but was written by another CalPERS contractor which preceded Michael Strategic Analysis and which formulated and administered past years' CalPERS Member Surveys previous to the 2002 survey. The inherited survey instrument used for the 2002 survey was modified by CalPERS, mainly by shortening the instrument, and was administered by Michael Strategic Analysis in 2002 as it was provided to us. In our memorandum which accompanied the 2002 Member Survey report, we made several suggestions as to how the instruments for member surveys in future years could be improved while maintaining comparability with past instruments to provide continued tracking of year-to-year trends.

The survey instrument used for the 2006 Member Services and Health Subject Survey was significantly improved from the instrument used in 2002 and before. In addition, sample selection was significantly improved. The main improvements in 2006 are as follows.

- ✦ There was a thorough re-examination of all panel topics and questions with a high number of additions and deletions. All but one of the questions which had appeared in all previous surveys and had been used for trend tracking were retained and are indicated later in this report.
- ✦ The former panel on retirement questions was dropped entirely and became the basis of the CalPERS 2006 Pension Subject Survey conducted by Michael Strategic Analysis.
- ✦ The 2006 Member Services and Health Subject Survey was shortened by 19 questions from the length of the 2002 survey making the 2006 survey somewhat easier to administer.
- ✦ The 2006 survey includes a panel on the CalPERS web site which was not included in past surveys.
- ✦ Unlike previous surveys, the sample to which the 2006 survey was administered was stratified to reflect actual proportions of retired, active State, active public agency and active school members as reflected in current CalPERS total membership.

Survey Population and Sample

This survey was administered to a stratified sample of 750 CalPERS members, both active and retired. This sample size of 750 was consistent with sample sizes of all previous annual CalPERS member surveys. Sub-samples as below were drawn randomly from CalPERS's nearly 1.2 million members.

The 2006 Survey's Two Sub-Samples and Six Sub-Sub-Samples

The 1998 through 2002 samples of 750 were unscientifically disaggregated into something resembling a cluster sample organized into four sub-samples as follows. This clustering was inherited by Michael Strategic Analysis from the previous vendor and previous surveys through 2001. These cluster samples did not represent true proportions of retirees versus active members, or the true proportions of State members, public agency members and school members among either retirees or active members, and thus resulted in some unknown but non-fatal distortions in results in all surveys up through the 2002 survey.

2002 Sub-Sample	Size	Percent of Total
Retirees	225	30 percent
State employees	225	30 percent
School employees	150	20 percent
Public agency employees	150	20 percent
Totals	750	100 percent

The 2006 survey employed a scientifically determined stratified sample based on actual proportions among CalPERS's nearly 1.2 million members. As of March 9, 2006, CalPERS databases showed numbers of retired and active members, and of State members, public agency members and school members among active members as shown in the following table. The databases we were provided did not show the numbers of State members, public agency members and school members among retirees.

The total survey sample of 750 was disaggregated proportionally into retiree and active member sub-samples, and then the two sub-samples were further disaggregated into three sub-sub-samples of State members, public agency members and school members for both active and retired members. Since the actual numbers of State, public agency and school members among retirees were not provided, the retiree sub-sample was disaggregated into these sub-sub-samples in the same proportions as for the active member sub-sub-samples. This resulted in the numbers in the six sub-sub-samples in the table following.

Those queried for the 2006 survey in each sub-sub-sample were randomly selected from the CalPERS databases provided to Michael Strategic Analysis. The four databases provided to us comprised lists of retirees, active State members, active public agency members and active school members of 5,000 for each

list. These four lists were drawn randomly from CalPERS's master databases for retirees and active members according to a randomization procedure provided by Michael Strategic Analysis.

	Sub-Samples		Sub-Sub-Samples	
	Number	Proportion	Proportion	Called
Active Members				
School	315,037	38.23% of actives	26.28% of all members	198
Public Agency	262,574	31.86% of actives	21.99% of all members	165
State	246,413	29.90% of actives	20.64% of all members	155
Totals for Active Members	824,024	69.01% of all members	69.01% of all members	518
Retirees				
School	Not provided	Not provided	11.85% of all members	89
Public Agency	Not provided	Not provided	9.87% of all members	74
State	Not provided	Not provided	9.27% of all members	69
Totals for Retirees	370,015	30.99% of all members	30.99% of all members	232
All Members	1,194,039	100.00%	100.00%	750

To Whom Survey Topics Were Administered

The 2002 CalPERS Member Survey and all previous member surveys contained panels of questions which were administered selectively to retirees, active members or both groups. However, since the entire panel on retirement matters was removed from the 2006 Member Services and Health Subject Survey and became the basis of the 2006 Pension Subject Survey, selective application of panels was not necessary in the 2006 Member Services and Health Subject Survey. The only exception to this is that Panel C on the CalPERS web site was administered only to those respondents, either active or retired, who use a computer.

Administration of the Survey

The 2006 Member Services and Health Subject Survey was administered by telephone by trained callers in March, 2006 through a CalPERS-approved survey instrument and script which are presented herein. Michael Strategic Analysis was furnished with a combination of work and home telephone numbers of respondents, and so both sub-samples listed above were called during the day with the exception that some retirees were called during the evening. Numbers provided for active members were work numbers, a departure from the 2002 survey when both work and home numbers were provided. There were no difficulties encountered in tabulating or analyzing survey data.

Reaching Active Members By Telephone

Callers did encounter a fairly high degree of difficulty in reaching active members, more so than in the 2002 Member Survey or in other surveys which Michael Strategic Analysis has conducted for CalPERS. This appears to have happened because of an unusually high proportion of out-of-date telephone numbers in the three active member databases provided to Michael Strategic Analysis, and because of the nationwide phenomenon of the increasing use of voice mail to screen or avoid calls.

Recommendation

Based on our experience using CalPERS databases for several years, it appears that individual records in the active member database might not be getting updated as often as needed. This problem was not encountered with the retiree database which presumably stays current so that pension checks get to the right addresses. We recommend that CalPERS devise and implement a permanent procedure for capturing changes in active members' contact information shortly after changes take place.

III. Resulting Degrees of Confidence in This Survey

Margins of Error

Three Levels of Accuracy

Statistically, there are three general levels of accuracy attainable from surveys.

Small Samples

The least accurate sample is what is referred to as a small sample which involves samples of less than 30. Small-sample analysis requires looser tools of analysis, sacrifices flexibility through use of these tools and results in the least confident conclusions.

Large Samples

At sample sizes of 30 and beyond, different less sacrificing statistical tools may be used for analysis yielding less error and higher confidence in results.

Optimal Samples

A sample size of 384 is necessary for a survey in order to guarantee never more than five percent error in the worst case, no matter the statistic examined. This particular critical sample size is what usually leads to a round sample of 400 for plus or minus five percent error. [In this case, the maximum error is actually 4.9 percent.] The worst case for error for a sample statistic occurs for a sample proportion of fifty percent; error for all other statistics — proportions other than fifty percent, means, differences in two sample proportions, differences in two sample means and matched pairs — is less.

Maximum Error For the Sub-samples and Sub-Sub-Samples

Maximum errors at the 95-percent confidence level for the sub-samples, the sub-sub-samples and the entire sample of the 2006 Member Services and Health Subject Survey are as follows.

Group	Size	Maximum Error
Active State members	155	±7.9%
Active public agency members	165	±7.6%
Active school members	198	±7.0%
All active members	518	±4.3%
Retired State members	69	±11.8%
Retired public agency members	74	±11.4%
Retired school members	89	±10.4%
All retirees	232	±6.4%
All State members	224	±6.5%
All public agency members	239	±6.3%
All school members	287	±5.8%
Entire sample	750	±3.6%

Caution In Cases of Few Responses

In some cases, the number of respondents answering a question is too small to be able to draw statistically valid conclusions. This happened, for example, for some questions in which the qualification to be eligible to answer the question depended on expressing dissatisfaction in the previous question. If few were qualified to answer and then those who did were disaggregated into the four sub-samples used in this report, the resulting numbers for each sub-sample could become too small from which to be able to draw any inferences. Such results are noted in the resulting survey statistics by being displayed in grey.

Reduction of Error Through the Sampling Fraction

When a significant fraction of a population is sampled, random error from the sample is reduced. In the extreme, when the entire population is sampled [i.e., a census is taken], random error is reduced to zero. In the 2006 Member Services and Health Subject Survey, sub-sample sizes as fractions of the four populations from which they were drawn were small enough so that there was no error reduction from the sampling fraction.

Confidence Intervals For Survey Statistics

Confidence Intervals For Proportions

As indicated above, the survey's largest and smallest sub-sub-samples are, respectively, active school members [198] and retired State members [69]. Confidence intervals for proportions involving the full sample of 750 and the two sub-sub-samples of 198 and 69 are shown in the following three tables. The largest possibility for error occurs when a proportion is 50 percent, for example if, in a yes-or-no question, half answered yes, half no. We see in these three tables one of the best known relationships in statistics, that the larger we allow the sample size to become, the narrower and more reliable a confidence interval becomes. In the extreme, if we sampled all the members of a particular group being examined, i.e. conducted a census, confidence intervals would shrink to zero and there would be no random error in our statistics.

Confidence Intervals For the Sub-Sub-Sample of 198

If the proportion answering a question a certain way is:	Then the 99% confidence interval for this proportion is:	And the 95% confidence interval for this proportion is:
5%	1.0% to 9.0%	2.0% to 8.0%
50%	40.8% to 59.2%	46.4% to 53.6%

Confidence Intervals For the Sub-Sub-Sample of 69

If the proportion answering a question a certain way is:	Then the 99% confidence interval for this proportion is:	And the 95% confidence interval for this proportion is:
5%	-1.8% to 11.8%	-0.1% to 10.1%
50%	34.5% to 65.5%	38.2% to 61.8%

Confidence Intervals For the Full Sample of 750

If the proportion answering a question a certain way is:	Then the 99% confidence interval for this proportion is:	And the 95% confidence interval for this proportion is:
5%	2.9% to 7.1%	3.4% to 6.6%
50%	45.3% to 54.7%	46.4% to 53.6%

Using Proportions in The Survey

As we see above, the confidence intervals for the smallest sub-sub-sample of 69 retired State respondents are very broad. For example, if these 69 respondents answered a yes-or-no question evenly [50 percent yes, 50 percent no], the 99-percent confidence interval for this 50-percent proportion would run from 34.5 percent to 65.5 percent. The statistical interpretation of this is that we could be 99 percent confident that the proportion answering yes [or no] to the question in the entire estimated population of 110,648 retired State members could be anywhere from about one-third to about two-thirds, in other words two to one for or two to one against whatever had been asked. This range is too broad on which to base conclusions.

In contrast, under the same circumstances, we can be 99 percent certain that the confidence interval for a proportion of 50 percent for the entire sample of 750 is 45.3 percent to 54.7 percent, a much narrower and more reliable measure upon which we could reasonably draw conclusions.

Generally, proportions from the survey from both sub-samples [active members and retirees] and from the larger sub-sub-samples may be used with reasonably high confidence and taken at face value, but proportions from smaller sub-sub-samples must be treated with caution. Comparisons of proportions across questions in the survey can be made with weaker confidence and should be cautiously interpreted.

Confidence Intervals For Means

The confidence interval for a mean [or average] depends on the variance of the data from which the mean was calculated, that is, how scattered the data were about their mean. Most variables [questions] except for demographic data in the present survey involve proportions though some questions do involve means including all Likert Scale [one-to-five] questions. The least confident mean in this survey involving the full sample happens to be that from question F7 on household income yielding a full-sample mean of \$76,884 with a 95-percent confidence interval from \$74,277 to \$79,492, more than narrow enough to place high faith in the mean.

Using Means in The Survey

The same caveats as apply for proportions generally apply for means from the survey. Means may be used with reasonably high confidence and taken at face value except in cases of small sub-sub-samples or questions answered by few respondents.

Overall Confidence Levels for This Survey

Because of the four adequate sub-sample sizes, the reader may generally place reasonably high confidence in the statistics provided from the sub-samples of this survey. The only exceptions are sub-sub-samples where the number of respondents is very small including cases where only a few respondents answered a particular question. This tends to be truer of open-ended questions. Such cases of very small sub-sub-samples are noted in this report. Less confident survey statistics are shown in grey.

Caution In Using Pooled Results

Most results presented later in this report are reported on the basis of the results of retirees plus the three sub-sub-samples within active members. The very design of the survey was to be able to differentiate among the knowledge, attitudes and practices of these four groups. As presented later, results from the four groups have been pooled in portraying survey results for each question. For some questions in this survey, pooling can lead to misleading results, masking the well-defined results of the four groups. The experiences of the four groups, and therefore their respective knowledge, attitudes and practices, can vary significantly, especially for retired versus active members, and attempting to draw conclusions based on their mix of different experiences would sometimes be unwarranted.

As an exaggerated example, if a survey were conducted in Ottawa and Miami on the knowledge, attitudes and practices regarding snow blowers, pooling the two very different sets of results would not reflect the experiences of either group and would be utterly misleading in drawing any conclusions on snow blowers. Likewise, differences between retirees and active members in the 2006 Member Services and Health Subject Survey can be blurred in some cases when their results are pooled, and pooled results can be misleading to the user if subjected to unsupported interpretations. Therefore, depending on the question, caution is urged in taking interpretations of pooled results too far.

How Unclassifiable Responses, Non-responses and Rounding Affect Disaggregations

The results of most questions in this survey are presented for the entire sample along with the four mentioned subsample disaggregations. Depending on how the 750 respondents were classified for a given type of disaggregation, and whether or not they answered a given question, resulting statistics, for example mean ratings, may or may not seem consistent with one another despite their individual correct-

ness. In this survey, this occurs very few times, most frequently when comparing a mean from the entire sample versus means from the four-way disaggregation.

Unclassified respondents could arise in the sample if both the caller database and the respondent were unclear about classification. However, though this is a common occurrence in surveys, especially with relatively large samples sizes such as in this survey, unclassified responses did not occur in this survey.

A second factor at work that also can cause a seeming disparity in survey statistics when in fact they are precise is that not all respondents might answer a given question, and that if the non-response rate varies from subsample to subsample in a disaggregation, this can seemingly distort resulting statistics.

A third factor is rounding of survey statistics. For example, two mean ratings to two-decimal precision might be 7.55 and 7.64, both of which rounded to one-decimal precision would show as 7.6. If one of these is the full-sample mean and the other is a subsample mean, and both are displayed as 7.6, this could appear to be an impossible equality between the two means when in fact they are different.

It is important to keep these three rather complex contingencies in mind when comparing a few of this report's summary statistics. Such is the world of statistics.

IV. Selected Comparisons With Results of Previous Years' Surveys

Eight Years of Trends for Certain Member Opinions

Five surveys similar to the 2006 Member Services and Health Subject Survey were conducted for CalPERS annually from 1998 through 2002. While these surveys were modified somewhat from year to year, some of the same questions were asked in each of the surveys including the 2006 Member Services and Health Subject Survey, providing eight-year trends for these questions. Following in chart form are the trends for thirteen of these questions, all of which will be found in Panel A providing member opinions on general CalPERS performance.

Year-to-Year Changes Can Reflect More Than Changing Opinions

For several reasons, the kinds of trends portrayed below need to be used with caution since a number of factors affect year-to-year changes that show up in the results for a given question. Some of these forces are:

Changes In Wording of a Question

This is not known to have happened in the eight-year series of six CalPERS member surveys, but could entirely negate comparability of results from year to year. None of the 13 trend-tracking questions carried forward from the 2001 survey were reworded in the 2002 survey or in the 2006 Member Services and Health Subject Survey.

Skill of the Callers

Caller skill and training, particularly caller personality, can have a marked effect on some kinds of survey results. Caller personality and approach to respondents set a respondent's mood which has an effect on how positively or negatively a respondent might feel about the subject matter of a survey. There was a change in callers from the 2001 survey which others administered to the 2002 survey which was administered by Michael Strategic Analysis. The calling sub-contractor used by Michael Strategic Analysis for MSA surveys specifically recruits for friendly people as callers, and trains them to be friendly and responsive to respondents. This might well have had an affect on outcomes of the 2002 survey and the 2006 Member Services and Health Subject Survey compared to re-2002 surveys and have led to more optimistic answers. This factor is nearly impossible to control for in year-to-year surveys. Michael Strategic Analysis did not conduct the member surveys previous to the 2002 survey, and has no knowledge of skills of past years' callers.

Length of Questionnaire

Long questionnaires lead to respondent fatigue which colors responses to questions asked late in a questionnaire. The 2002 questionnaire at 118 questions was shortened considerably from the 2001 questionnaire which asked over 150 questions. By removing the panel on retirement, the 2006 Member Services and Health Subject Survey was further shortened to 99 questions.

Date and Time Called

Generally, respondents will react more positively to a request to participate in a survey the topic which they have an interest in if contacted at work than at home. At least the 2001 and 2002 surveys used calling databases which provided members' home telephone numbers. Respondents were called on the standard days and times for a home telephone survey, Monday through Friday evenings from six until nine o'clock. The days and times called in the 1998, 1999, 2000 and 2001 surveys are not known to us. As mentioned above, all active members were called at work during the day for the 2006 Member Services and Health Subject Survey, and most retirees were called during the evening.

Who Is Called

If somehow the sub-samples of the annual member surveys were selected differently from the universes from which they are drawn, surveys could be querying respondents who were not truly comparable from year to year. Michael Strategic Analysis conferred directly with the PERS subcontractor who maintained the four sub-sample databases for the 2001 survey, and we insured that the calling samples provided to us for the 2002 survey were randomly drawn, as were the samples for the 2001 survey. There is no reason to believe that samples used in the three surveys before 2001 were not also random. The databases used in the 2006 Member Services and Health Subject Survey were provided directly by CalPERS and were randomized according to a procedure provided by Michael Strategic Analysis.

Random Error

In any sampling, a known measurable amount of random error is present because of using a sample which is only a portion of the universe being sampled. The degrees of random error for the 2006 Member Services and Health Subject Survey as a whole and for its sub-samples and sub-sub-samples are addressed in section IV of this report.

Changes In the Environment of Respondents

Significant changes in the collective lives of respondents can affect how they will answer a given question from year to year. For example, this influence almost certainly obtained in 2002 with daily news on a soft economy, a difficult state budget prognosis, post-9/11 shock, a 25 percent increase in health premium costs, and heavy losses, corporate scandals and corporate collapses within the CalPERS portfolio. In some open-ended questions of the 2002 survey, these concerns show up specifically and widely.

An even larger influence in the 2006 Member Services and Health Subject Survey is the length of time since the last member survey which was administered four years ago. Much can change in the lives and the environments of respondents over four years.

True Changes In Opinion

Finally, what can affect year-to-year changes in responses to a given question is what the researcher and the reader hope is the only kind of change which is showing up, true changes in opinion about a question.

In going through the 2006 survey results following, the reader should continually ask if the changes in opinion in the 2006 Member Services and Health Subject Survey reflect only true changes in opinion, or if the other forces described above might also have come into play.

Thirteen Trends

Following are thirteen trends from the 1998 through 2006 surveys. Each chart shows the percentages of respondents answering a question positively through each of the six surveys, where "positively" usually means the proportions expressing approval of a given measure. The charts are ordered according to the strength of positive approval, strongest to weakest. In some cases, the survey question shown atop a chart has been reworded slightly in the chart from the way it was asked in order to fit it into the chart. Wording of questions as asked is provided in section V which provides detailed results of the survey.

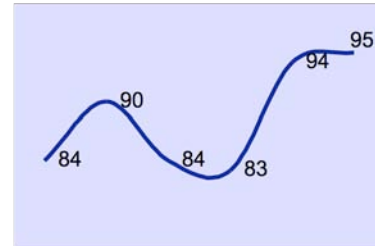
Is CalPERS financially sound?



1998 1999 2000 2001 2002 2006

Question A5

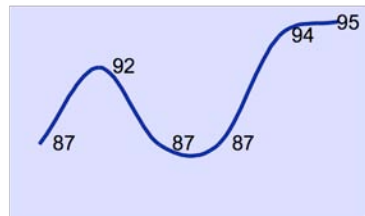
Is CalPERS being managed well?



1998 1999 2000 2001 2002 2006

Question A1

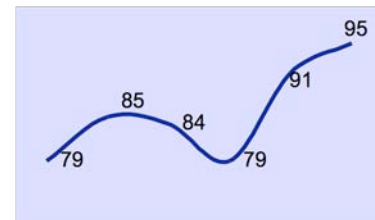
Are you confident that you will receive quality services in the future?



1998 1999 2000 2001 2002 2006

Question A9

Is CalPERS satisfying you in providing the services you need?



1998 1999 2000 2001 2002 2006

Question A7

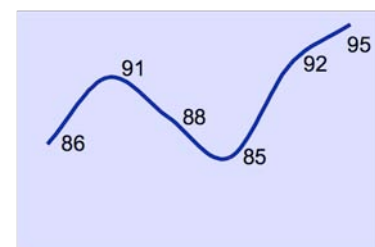
Is CalPERS sensitive to member needs?



1998 1999 2000 2001 2002 2006

Question A3

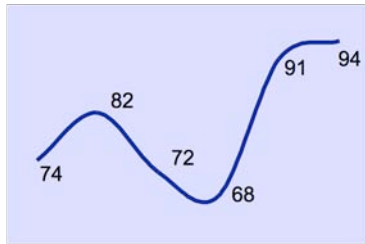
Are you confident your retirement money is safe?



1998 1999 2000 2001 2002 2006

Question A8

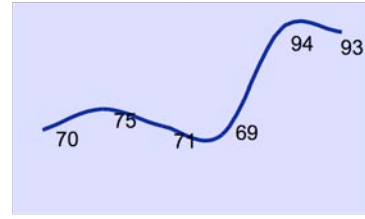
Is CalPERS making wise investments?



1998 1999 2000 2001 2002 2006

Question A2

Do you have confidence in answers you receive from CalPERS?



1998 1999 2000 2001 2002 2006

Question A11

Is CalPERS organized well to answer member questions?



1998 1999 2000 2001 2002 2006

Question A10

Does CalPERS do a good job of keeping members informed?



1998 1999 2000 2001 2002 2006

Question A4

Is CalPERS too big and impersonal?



1998 1999 2000 2001 2002 2006

Question A6

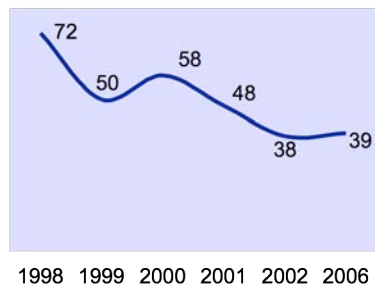
Have you heard anything about CalPERS which concerns you?



1998 1999 2000 2001 2002 2006

Question A13

Does it concern you a great deal?



Question A15

Summary of Year-to-Year Trend Results

In 2006, CalPERS is doing better than ever with members, with evaluations of CalPERS performance rising for eight of ten measures tracked since 1998. Both 2006 declines were insignificant one-point drops. However, there is a significant rise in the opinion that CalPERS is “too big and impersonal.”

V. Results of the Survey

Format of Presentation of Responses

Summary statistics of responses to all questions are presented for the full sample of 750 and for the three active-member sub-samples plus retirees.

For Proportions

For questions whose responses are proportions, summary statistics are presented as frequency distributions in the following format.

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Answer Choice 1	%	%	%	%	%
— — —	%	%	%	%	%
Answer Choice n	%	%	%	%	%

For Measures of Central Tendency

For questions whose responses result in the three measures of central tendency — the mean, median and mode — summary statistics are presented in the following format.

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Mean	n.n	n.n	n.n	n.n	n.n
Median	n	n	n	n	n
Mode	n	n	n	n	n

Screening Panel

Following are tabulations of responses. Questions posed and answer choices if read aloud by callers to respondents, are shown in *italics*. Most caller instructions are provided for the reader and are shown in plain type. Panel A was preceded by a screening protocol, panel S, to ensure respondent eligibility.

S1 Caller: Do not ask this item. Record here which subsample your present respondent is in.

Retiree.....	31.3%
Active State employee.....	20.7%
Active school employee.....	26.0%
Active public agency employee.....	22.0%

Caller: Now read the following. *Anything you tell me in this survey is confidential, and your name is not associated with what you tell me in any way. We will be talking with 750 people altogether and your and their responses to the survey are used for statistical analysis only.*

S2 Caller: Ask this question of retirees only. For others, begin with Question S3.

Before we get started, let me ask you if you are a service retiree, a disability retiree or the beneficiary of a retiree?

Service retiree.....	75.8%
Disability retiree.....	11.3%
Beneficiary.....	13.0%

S3 *To begin, please tell me which of the following best describes your current employment status.*
[Caller: Read the choices.]

- ✚ *Working and employed by a CalPERS-covered employer*
- ✚ *Working and employed by a non-CalPERS-covered employer*
- ✚ *Working as a retired CalPERS annuitant employed by a CalPERS-covered employer*
- ✚ *Working as a retired CalPERS annuitant employed by a non-CalPERS-covered employer*
- ✚ *Not working but planning to*
- ✚ *Not working and fully retired*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Working, Active, Covered	94.8%	97.6%	93.8%	3.0%	66.6%
Working, Active, Noncovered	2.6%	2.4%	2.6%	2.6%	2.5%
Working, Retired, Covered	1.3%	0.0%	1.0%	4.3%	1.9%
Working, Retired, Noncovered	0.0%	0.0%	0.0%	2.6%	0.8%
Not Working but Planning To	0.0%	0.0%	1.0%	2.1%	0.9%
Fully Retired	1.3%	0.0%	1.5%	85.4%	27.3%

S4 *Please tell me if you are employed in one of the following categories or were at the time of your CalPERS retirement. If you are a beneficiary or survivor, please tell me if your spouse or partner was in one of these categories.* [Caller: Read the categories]

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Safety	31.6%	31.5%	4.6%	17.5%	20.2%
Industrial	5.2%	3.6%	5.6%	11.5%	6.9%
Miscellaneous	63.2%	64.8%	89.2%	70.9%	72.8%

S5 *How many years of CalPERS-covered service do you have, or if you are a survivor or beneficiary, how many years of CalPERS-covered service did your spouse or partner have? If you are not sure, it is alright to estimate.*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Mean	11.1	10.0	9.3	20.4	13.3
Median	9	8	6	20	12
Mode	5	1	5	25	5

Panel A- General CalPERS Performance

A1 *Thanks. Now I am going to ask you several questions concerning your opinions on overall CalPERS performance. Most of these questions have yes-or-no answers. First, based on what you've seen or heard, is CalPERS being managed well?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	98.7%	92.1%	93.3%	96.2%	95.1%
No	1.3%	7.9%	6.7%	3.8%	4.9%

A2 *Is CalPERS making wise investments for its members?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	95.5%	96.4%	92.8%	93.2%	94.3%
No	4.5%	3.6%	7.2%	6.8%	5.7%

A3 *Is CalPERS sensitive to the needs of its members?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	97.4%	95.8%	91.3%	95.3%	94.8%
No	2.6%	4.2%	8.7%	4.7%	5.2%

A4 *Is CalPERS doing a good job of keeping in touch with its members and keeping them informed?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	91.0%	89.1%	89.7%	94.4%	91.3%
No	9.0%	10.9%	10.3%	5.6%	8.7%

A5 *Is CalPERS a financially sound system?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	96.1%	95.8%	94.4%	95.7%	95.5%
No	3.9%	4.2%	5.6%	4.3%	4.5%

A6 *Is CalPERS too big and impersonal?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	40.6%	28.5%	33.3%	20.9%	29.9%
No	59.4%	71.5%	66.7%	79.1%	70.1%

A7 *Are you satisfied with how CalPERS is providing you with the services you need?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	93.5%	94.5%	96.9%	95.3%	95.2%
No	6.5%	5.5%	3.1%	4.7%	4.8%

A8 *Are you confident your retirement money is safe at CalPERS and will be there when you need it?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	94.8%	93.3%	93.3%	96.6%	94.7%
No	5.2%	6.7%	6.7%	3.4%	5.3%

A9 Do you have confidence that CalPERS will provide you with quality service in the future?

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	94.2%	93.3%	94.4%	96.2%	94.7%
No	5.8%	6.7%	5.6%	3.8%	5.3%

A10 Is CalPERS organized effectively to answer members' questions when they call for information?

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	89.0%	93.9%	86.7%	93.6%	90.9%
No	11.0%	6.1%	13.3%	6.4%	9.1%

A11 Do you have confidence in the information and answers you receive from CalPERS staff?

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	95.5%	94.5%	90.3%	93.6%	93.3%
No	4.5%	5.5%	9.7%	6.4%	6.7%

A12 What is the single most important improvement you would like to see CalPERS make?

Here, it is important to note that of the 739 respondents who answered this question, 72.7 percent of them said that they had no improvements to suggest. Many of these responses were of the nature of praise for CalPERS's performance. The 202 suggestions for improvement were organized as follows. Proportions do not total 100 percent in this and for some other open-ended questions to follow because of low-count responses not shown.

Health benefits and other health concerns	19.8%
Retirement and retirement income	18.5%
Better telephone service	17.9%
Better communication	13.6%
Better customer service	11.1%
CalPERS management and investments	8.6%
"Meeting needs"	8.0%
Lack of independence from state government	2.5%

Note: This is the first of several open-ended questions in the survey. Full verbatim responses to these questions have been provided to CalPERS on a compact disk.

A13 Over the last year, have you read or heard anything about CalPERS which caused you concern?

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	16.7%	25.8%	12.4%	20.5%	16.7%
No	83.3%	74.2%	87.6%	79.5%	83.3%

Caller: If yes, continue. If no, skip to Question B1.

A14 What was it that concerned you?

Forty-six respondents answered this question.

Lack of independence from state government	39.1%
Financial management and investments	34.8%
Retirement security	8.7%

A15 Does this concern you a great deal, somewhat or very little?

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
A Great Deal	55.6%	63.6%	26.7%	33.3%	39.2%
Somewhat	33.3%	27.3%	60.0%	30.8%	36.5%
Very Little	11.1%	9.1%	13.3%	35.9%	24.3%

Conclusions From Panel A

Respondents express exceptionally high confidence in CalPERS on almost all topics posed, the only exception being the perception of about a third of respondents that CalPERS is too big and impersonal. Nearly three-fourths of respondents offered no suggested improvements in CalPERS performance; of those who did, suggested improvements were predictably concentrated among health and retirement benefits, and better customer service, especially telephone service and communicating to members. Nearly all those who are concerned about recent CalPERS news mention either CalPERS financial management or, especially, State government influence over CalPERS decisions.

Panel B- Communicating With CalPERS

B1 I am going to read you some choices on how you usually communicate with CalPERS. Of these ways, which way do you most often communicate with CalPERS?

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Web Site	21.9%	24.2%	13.8%	7.2%	15.7%
Email	8.4%	11.5%	14.9%	3.0%	9.1%
Face to Face	7.7%	6.7%	4.1%	6.0%	6.0%
Mail	19.4%	38.8%	31.8%	15.3%	25.6%
Telephone	41.9%	18.8%	34.9%	66.8%	42.8%
Fax	0.6%	0.0%	0.5%	1.7%	0.8%

B2 In the future, by which one of the following means would you most prefer to communicate? Here are the choices again.

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Web Site	18.1%	26.2%	12.3%	8.1%	15.2%
Email	12.3%	14.0%	19.0%	4.3%	11.9%
Face to Face	7.1%	14.0%	8.7%	9.4%	9.7%
Mail	18.7%	25.0%	22.1%	11.5%	18.7%
Telephone	43.9%	20.7%	37.9%	66.0%	44.2%
Fax	0.0%	0.0%	0.0%	0.9%	0.3%

B3 *Did you contact CalPERS by telephone anytime during the year 2005?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	40.6%	26.8%	27.7%	31.5%	31.2%
No	59.4%	73.2%	72.3%	68.5%	68.8%

If yes, proceed. If no, skip to question B7.

B4 *When you contacted CalPERS by telephone in 2005, how would you rate the service you received: excellent, good, fair or poor?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Excellent	34.8%	24.4%	39.3%	50.6%	38.9%
Good	45.5%	35.6%	37.5%	35.1%	38.5%
Fair	3.0%	26.7%	17.9%	10.4%	13.1%
Poor	16.7%	13.3%	5.4%	3.9%	9.4%

B5 *When you called, were your questions answered by the person who you first spoke with or did that person transfer you to another CalPERS employee?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
First Person	63.6%	52.3%	61.8%	55.3%	58.5%
Not First Person	36.4%	45.5%	38.2%	44.7%	41.1%

B6 *Did someone from CalPERS call you back to get your question answered?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	39.4%	38.6%	44.4%	36.4%	39.4%
No	60.6%	61.4%	55.6%	63.6%	60.6%

This question is not clear. Some could have responded no because no call-back was requested.

B7 *In your opinion, when you call CalPERS how long do you think it is acceptable to have to wait before being able to speak to someone?* [Caller: Record the number of minutes as a numeral with less than one minute recorded as 0.]

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Mean	4.1	3.1	3.7	4.8	4.0
Median	5	3	3	5	4
Mode	5	5	5	5	5

Conclusions from Panel B

Members' preferences for how CalPERS contacts them depend on age and education with school members and retirees still preferring telephone and mail, and members in the other two sub-samples more prone to prefer email and the CalPERS web site. Less than a third of respondents contacted CalPERS during 2005 with four of five of them rating

CalPERS telephone service as good or excellent. Apparently, nearly half the time callers were referred to a second CalPERS employee. When so referred, respondents were contacted only 60 percent of the time when promised a call-back, a serious lapse in customer service if this is the case.

Panel C- Web Site Services

C1 *Do you use a computer?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	72.9%	75.2%	65.1%	32.3%	58.7%
No	27.1%	24.8%	34.9%	67.2%	41.2%

If yes, continue. If no, skip to Question D1.






C2 *Which one of the following would you say best describes your level of expertise with a computer?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Beginner	16.7%	12.1%	10.2%	22.1%	14.4%
A Few Programs	19.3%	4.0%	9.4%	14.3%	11.3%
Average	30.7%	35.5%	43.8%	41.6%	37.7%
Wide Variety	24.6%	33.9%	25.0%	14.3%	25.5%
Expert	8.8%	14.5%	11.7%	7.8%	11.1%

C3 *Which one of the following choices describes the way you most often connect to the internet?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Cable	42.2%	31.7%	34.4%	33.8%	35.5%
DSL	33.0%	37.4%	27.3%	32.5%	32.5%
T-1	11.0%	19.5%	11.7%	1.3%	11.9%
Wireless	7.3%	2.4%	8.6%	9.1%	6.6%
Dial-up	6.4%	8.9%	18.0%	23.4%	13.5%

C4 *These days, it is possible to conduct many kinds of business and other matters on the internet. Please tell me which of the following choices best describes how often you conduct your business on the internet as opposed to more traditional methods such as by telephone or postal mail.*

-  *Whenever possible when doing business over the internet is an option*
-  *Most of the time when doing business over the internet is an option*
-  *Sometimes*
-  *Seldom*
-  *Never*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Whenever Possible	28.1%	16.1%	17.3%	18.4%	20.0%
Most of the Time	17.5%	26.6%	18.9%	13.2%	19.7%
Sometimes	27.2%	34.7%	38.6%	27.6%	32.7%
Seldom	13.2%	13.7%	12.6%	23.7%	15.0%
Never	14.0%	8.9%	12.6%	17.1%	12.7%

C5 *Have you used the CalPERS web site?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	63.1%	54.8%	46.1%	49.4%	53.4%
No	36.9%	45.2%	53.9%	50.6%	46.6%

If no, ask Question C6 and then skip to Question C12. If yes, skip to Question C7.

C6 *Of the following choices, which one best describes why you have not used the CalPERS web site?*
[Caller: Read the choices.]

- + You haven't needed to.
- + You prefer to contact CalPERS by telephone or postal mail.
- + The web site is difficult to use.
- + You plan to use the CalPERS web site but haven't yet.
- + You are reluctant to do business on the internet because of possible lack of confidentiality
- + You had a bad experience doing business on the internet.

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
No Need	59.5%	87.9%	85.7%	52.6%	75.0%
Prefer phone or mail	16.2%	3.4%	9.5%	31.6%	13.3%
Difficult to Use	0.0%	1.7%	0.0%	0.0%	0.5%
Plan to Use	2.7%	6.9%	3.2%	2.6%	4.1%
Security Concern	2.7%	0.0%	0.0%	13.2%	3.1%
Bad Experience	18.9%	0.0%	1.6%	0.0%	4.1%

C7 *Have you registered with the CalPERS web site and gotten a user name and password?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	75.0%	67.6%	68.9%	36.6%	65.2%
No	25.0%	30.9%	31.1%	63.4%	34.4%

C8 *On a one-to-five scale where one is easiest and five is most difficult, how easy or difficult would you say it was to gain access to the CalPERS web site?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Mean	2.0	2.2	1.9	2.2	2.0
Median	2	2	2	2	2
Mode	1	1	1	1	1

C9 *On a one-to-five scale where one is easiest and five is most difficult, how easy or difficult would you say it is to find what you want on the CalPERS web site?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Mean	2.3	2.2	2.3	2.3	2.3
Median	2	2	2	2	2
Mode	2	1	2	1	2

C10 *Do you know you can register on line at the CalPERS web site for seminars and workshops?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	70.0%	72.3%	66.7%	51.2%	66.9%
No	30.0%	26.2%	33.3%	48.8%	33.1%

C11 *On a one-to-five scale where one is worse and five is better, how would you compare CalPERS's web site overall to other web sites you've visited?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Mean	3.3	3.4	3.5	4.0	3.5
Median	4	3	4	3	3
Mode	4	3	3	3	3

C12 *What one service would you most like to see at the CalPERS web site?*

Sixty-two percent of respondents to this question offered no suggestions for improving the web site. Of the 51 people who did, suggestions showed the following frequencies.

Easier use for retirement questions	19.6%
Personal account information	19.6%
Easier use for health questions	11.8%
Easier navigation	7.8%

C13 *What one kind of information would you most like to see at the CalPERS web site?*

Only 39 respondents answered this question. Categories of responses other than the two below were widely dispersed.

More retirement information	41.0%
More health benefits information	12.8%

Conclusions From Panel C

Only four of seven respondents use a computer. However, this disaggregates into more than two-thirds of active members and one-third of retirees using a computer. Of those who do use a computer, three-fourths describe themselves as of at least average proficiency with nearly nine of ten having a high-speed internet connection. More than half of computer users use the CalPERS web site. Three-fourths of those who have not said that they have not had the need to. Survey respondents say that it is easy to gain access to the CalPERS web site with a pass word, to find what one is looking for on the site, and that the web site is about average compared to other web sites. One-third do not yet know how to register for seminars or workshops on the web site. Desires for improvement center on easier use of the web site to answer retirement, health and personal account questions, and more information on retirement and health plan matters.

Panel D- Health Benefits

D1 *Are you currently a member of a CalPERS health plan?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	57.5%	23.0%	21.5%	27.7%	31.1%
No	42.5%	77.0%	78.5%	72.3%	68.9%

Caller: If yes, proceed. If no, skip to Question E1.





Note here that only 233 [31.1 percent] of the full sample of 750 were qualified to answer the rest of panel D questions.

D2 *How many years have you been a member of a CalPERS health plan?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Mean	9.4	9.7	7.5	20.5	12.2
Median	6	8	5	20.5 ¹	10
Mode	6	5	2	25	5

D3 *Which one of the following choices best describes your present status with CalPERS?*

[Caller: Read the choices.]

-  *You are working for a CalPERS-covered employer at present*
-  *You retired from CalPERS-covered employment*
-  *You retired from CalPERS-covered employment because of disability*
-  *You are the dependent of a CalPERS member*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Covered Active	98.9%	92.3%	100.0%	6.2%	72.3%
Covered Retiree	1.1%	2.6%	0.0%	80.0%	23.0%
Disability Retiree	0.0%	2.6%	0.0%	4.6%	1.7%
Dependent	0.0%	2.6%	0.0%	9.2%	3.0%

D4 *Are you enrolled in Medicare?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	21.3%	15.4%	9.5%	57.6%	28.4%
No	78.7%	84.6%	90.5%	42.4%	71.6%

D5 *Do you have health care coverage through an employer of yours other than a CalPERS-covered employer?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	34.1%	20.5%	19.0%	12.1%	22.8%
No	65.9%	79.5%	81.0%	87.9%	77.2%

¹ This is an example of the earlier mentioned "impossible median." Here, there were exactly as many respondents with CalPERS health plan coverage for 20 or fewer years as 21 or more years.

D6 Do you know how to enroll in a CalPERS health plan?

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	95.5%	94.9%	85.7%	89.4%	91.9%
No	4.5%	5.1%	14.3%	10.6%	8.1%

D7 On a scale of one to five where one is least and five is most, how knowledgeable would you say you are about which family members are eligible to join a CalPERS health plan?

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Mean	3.4	3.5	3.4	3.8	3.5
Median	4	4	4	4	4
Mode	5	5	5	5	5

D8 Is your CalPERS health coverage providing you with the long-term health security you feel you need?

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	87.6%	82.1%	97.6%	95.5%	90.7%
No	12.4%	17.9%	2.4%	4.5%	9.3%

D9 Is your CalPERS health coverage providing you good service at a reasonable cost?

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	85.4%	82.1%	88.1%	93.9%	87.7%
No	14.6%	17.9%	11.9%	6.1%	12.3%

D10 Did you contact CalPERS by telephone in 2005 concerning your health coverage?

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	40.9%	25.6%	18.4%	25.8%	30.3%
No	59.1%	74.4%	81.6%	74.2%	69.7%

Caller: If yes, proceed. If no, skip to Question D13.

D11 Would you rate the telephone service you received from CalPERS as excellent, good, fair or poor compared to the best level of service you expect from other businesses?

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample ²
Excellent	55.6%	54.5%	77.8%	44.4%	55.4%
Good	30.6%	27.3%	11.1%	44.4%	31.1%
Fair	8.3%	18.2%	11.1%	5.6%	9.5%
Poor	5.6%	0.0%	0.0%	5.6%	4.1%

Note: Only 70 people said yes to question D10. Survey statistics for cells with too few respondents to be valid are shown in grey. This is the first of several such instances in this report.

² Proportions add to more than 100 percent because of rounding.

D12 *In a word or two, what one improvement in telephone service would you suggest?*

Only twelve respondents answered this question. Please see the data on the compact disk provided with this report for verbatim responses to this question.

D13 *Did you use the CalPERS website during 2005 to conduct health business or obtain health information?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	42.0%	28.6%	12.5%	3.0%	23.6%
No	58.0%	71.4%	87.5%	97.0%	76.4%

Caller: If yes, proceed. If no, skip to Question D27.

Note: Only 54 respondents answered yes to question D13. This led to very small sub-samples in the responses to questions D14 through D26.

D14 *Next, I'll ask you a few questions on your opinions regarding the health service information you found at the CalPERS web site compared to the best level of service you expect from the web sites of other businesses. The answer choices for these questions are excellent, good, fair and poor. First, compared to the best level of service you expect from the web sites of other businesses, how would you rate the information you found on open enrollment at the CalPERS web site?*

[Caller: The respondent may or may not have visited the web site to look for information on this or the following five topics. If not, record no response and go on to the next question.]

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Excellent	62.2%	66.7%	71.4%	50.0%	63.6%
Good	29.7%	22.2%	28.6%	50.0%	29.1%
Fair	5.4%	11.1%	0.0%	0.0%	5.5%
Poor	2.7%	0.0%	0.0%	0.0%	1.8%

D15 *Thanks. And how about information at the CalPERS web site on the steps and forms needed to change your health plan coverage? Again, the choices are excellent, good, fair or poor.*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Excellent	48.6%	33.3%	57.1%	50.0%	47.3%
Good	37.8%	33.3%	28.6%	50.0%	36.4%
Fair	5.4%	22.2%	0.0%	0.0%	7.3%
Poor	8.1%	11.1%	14.3%	0.0%	9.1%

D16 *The web site's information on how to understand your health plan statement?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Excellent	37.8%	55.6%	57.1%	50.0%	43.6%
Good	29.7%	33.3%	28.6%	50.0%	30.9%
Fair	24.3%	11.1%	14.3%	0.0%	20.0%
Poor	8.1%	0.0%	0.0%	0.0%	5.5%

D17 *The features of different health plans and comparisons among them?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Excellent	16.2%	44.4%	28.6%	0.0%	21.8%
Good	43.2%	44.4%	57.1%	100.0%	47.3%
Fair	21.6%	11.1%	14.3%	0.0%	18.2%
Poor	18.9%	0.0%	0.0%	0.0%	12.7%

D18 *Recent changes in coverage and law?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Excellent	40.5%	33.3%	42.9%	0.0%	38.2%
Good	40.5%	33.3%	42.9%	100.0%	41.8%
Fair	13.5%	33.3%	14.3%	0.0%	16.4%
Poor	5.4%	0.0%	0.0%	0.0%	3.6%

D19 *And Medicare coverage?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Excellent	45.9%	44.4%	42.9%	50.0%	45.5%
Good	40.5%	22.2%	42.9%	50.0%	38.2%
Fair	5.4%	33.3%	0.0%	0.0%	9.1%
Poor	8.1%	0.0%	14.3%	0.0%	7.3%

D20 *Thanks. Next, I'll ask you how important you feel those same topics are to have on the CalPERS website. The choices now are very important, moderately important and unimportant. First, how important is it to you for the CalPERS web site to have information on open enrollment?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Very Important	91.9%	88.9%	85.7%	100.0%	90.9%
Moderately Important	5.4%	11.1%	0.0%	0.0%	5.5%
Unimportant	2.7%	0.0%	14.3%	0.0%	3.6%

D21 *And on the steps and forms needed to change your health plan coverage?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Very Important	64.9%	77.8%	71.4%	100.0%	69.1%
Moderately Important	32.4%	11.1%	28.6%	0.0%	27.3%
Unimportant	2.7%	11.1%	0.0%	0.0%	3.6%

D22 *Information on how to understand your health plan statement?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Very Important	54.1%	88.9%	85.7%	100.0%	65.5%
Moderately Important	43.2%	11.1%	0.0%	0.0%	30.9%
Unimportant	2.7%	0.0%	14.3%	0.0%	3.6%

D23 *The features of different health plans and comparisons among them?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Very Important	70.3%	88.9%	85.7%	100.0%	76.4%
Moderately Important	24.3%	0.0%	0.0%	0.0%	16.4%
Unimportant	5.4%	11.1%	14.3%	0.0%	7.3%

D24 *Recent changes in coverage and law?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Very Important	54.1%	77.8%	85.7%	100.0%	63.6%
Moderately Important	27.0%	11.1%	0.0%	0.0%	20.0%
Unimportant	18.9%	11.1%	14.3%	0.0%	16.4%

D25 *And finally, Medicare coverage?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Very Important	43.2%	77.8%	71.4%	100.0%	54.5%
Moderately Important	21.6%	11.1%	14.3%	0.0%	18.2%
Unimportant	35.1%	11.1%	14.3%	0.0%	27.3%

D26 *In a word or two, what one improvement in the CalPERS website would you suggest?*

Only five respondents answered this question. Please see the data on the compact disk provided with this report for verbatim responses to this question.

D27 *Did you contact CalPERS in the Fall of 2005 regarding open enrollment?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	33.3%	18.2%	17.5%	3.0%	18.6%
No	66.7%	81.8%	82.5%	97.0%	81.4%

Caller: If yes, proceed. If no, skip to Question D31.

Note: Only 40 respondents answered yes to question D27.

D28 *In which of the following ways did you contact CalPERS in 2005 regarding open enrollment? If more than one, please choose the one way most important to you. [Caller: Read the choices.]*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Telephone	66.7%	83.3%	75.0%	50.0%	69.8%
CalPERS Web Site	18.5%	16.7%	25.0%	50.0%	20.9%
Letter	14.8%	0.0%	0.0%	0.0%	9.3%

D29 *Would you rate the open enrollment service you received as excellent, good, fair or poor compared to the best level of service you expect from other businesses?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Excellent	44.4%	33.3%	50.0%	0.0%	41.9%
Good	29.6%	50.0%	25.0%	100.0%	34.9%
Fair	3.7%	0.0%	12.5%	0.0%	4.7%
Poor	22.2%	16.7%	12.5%	0.0%	18.6%

D30 *In a word or two, what one improvement in open enrollment would you suggest?*

Only seven respondents answered this question. Please see the data on the compact disk provided with this report for verbatim responses to this question.

D31 *Assuming no changes in health plan features or benefits, which one of the following open enrollment opportunities would best meet your needs.* [Caller: Read the choices.]

✚ *To change health plans once a year during a specified period*

✚ *To change health plans once a year and during a specified period every third year*

✚ *To change health plans once every third year*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Annually	77.9%	78.8%	88.1%	53.7%	72.6%
Both	9.1%	12.1%	2.4%	13.4%	9.6%
Tri-annually	13.0%	9.1%	9.5%	32.8%	17.8%

D32 *Which one of the following incentives would most encourage you to make healthy lifestyle choices to reduce your health risks?* [Caller: Read the choices.]

✚ *Cash rewards for a verifiable improvement in lifestyle*

✚ *Redeemable credits for health products or services, for example, health club dues or a subscription to a nutrition magazine*

✚ *Coupons or discounts for health products or services*

✚ *Reductions in your health premiums*

✚ *Reductions in your health copayments*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Cash	40.8%	33.3%	22.0%	9.0%	26.3%
Credits	7.9%	18.2%	7.3%	9.0%	9.7%
Coupons/Discounts	1.3%	3.0%	17.1%	10.4%	7.4%
Lower Premiums	31.6%	36.4%	31.7%	52.2%	38.7%
Lower Copayments	18.4%	9.1%	22.0%	19.4%	18.0%

D33 *Next, I'll ask you a few questions about health management and wellness programs which are available through your health plan, and ask you to tell me how useful you have found them. The answer choices for these questions are very useful, useful, somewhat useful and not useful. If you did not use some of these health management or wellness programs, just tell me and you don't need to answer the question. First, how useful did you find a health management or wellness program on stress management?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Very Useful	32.3%	53.3%	47.1%	8.7%	27.5%
Useful	16.1%	20.0%	23.5%	43.5%	29.4%
Somewhat Useful	9.7%	20.0%	5.9%	23.9%	16.5%
Not Useful	41.9%	6.7%	23.5%	23.9%	26.6%

Between 105 and 109 respondents answered questions D33 through D39 making disaggregations for these questions too small from which to draw conclusions.

D34 *Weight control?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Very Useful	29.0%	33.3%	23.5%	17.4%	23.9%
Useful	9.7%	40.0%	29.4%	37.0%	28.4%
Somewhat Useful	25.8%	6.7%	11.8%	28.3%	22.0%
Not Useful	35.5%	20.0%	35.3%	17.4%	25.7%

D35 *Depression management?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Very Useful	35.5%	33.3%	26.7%	10.9%	23.4%
Useful	12.9%	33.3%	33.3%	37.0%	29.0%
Somewhat Useful	6.5%	13.3%	0.0%	32.6%	17.8%
Not Useful	45.2%	20.0%	40.0%	19.6%	29.9%

D36 *Smoking cessation?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Very Useful	28.1%	40.0%	20.0%	6.7%	19.6%
Useful	6.3%	33.3%	26.7%	44.4%	29.0%
Somewhat Useful	18.8%	13.3%	13.3%	24.4%	19.6%
Not Useful	46.9%	13.3%	40.0%	24.4%	31.8%

D37 *Diabetes control?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Very Useful	66.7%	40.0%	33.3%	10.6%	33.6%
Useful	6.7%	26.7%	20.0%	44.7%	28.0%
Somewhat Useful	0.0%	20.0%	6.7%	25.5%	15.0%
Not Useful	26.7%	13.3%	40.0%	19.1%	23.4%

D38 *Asthma control?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Very Useful	51.7%	40.0%	33.3%	10.9%	29.5%
Useful	3.4%	20.0%	26.7%	39.1%	24.8%
Somewhat Useful	0.0%	20.0%	0.0%	34.8%	18.1%
Not Useful	44.8%	20.0%	40.0%	15.2%	27.6%





D39 *Healthy heart?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Very Useful	46.7%	66.7%	46.7%	17.4%	36.8%
Useful	6.7%	6.7%	13.3%	45.7%	24.5%
Somewhat Useful	3.3%	20.0%	13.3%	17.4%	13.2%
Not Useful	43.3%	6.7%	26.7%	19.6%	25.5%

D40 *What one health management or wellness program which I did not mention would you like to have information on?*

There were 18 responses to this question, no two the same. Please see the data on the compact disk provided with this report for verbatim responses to this question.

D41 *To help control health care costs, which one of the following options do you think CalPERS should most consider? [Caller: Read the choices.]*

-  *A health plan with a fewer available physicians but a lower premium amount*
-  *Varying benefit levels with different deductible and premium amounts*
-  *Lower premium amounts with higher co-payments for services*
-  *Enhanced coverage for members with healthy lifestyles*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Answer Choice 1	18.4%	22.2%	12.8%	9.4%	15.3%
Answer Choice 2	30.3%	11.1%	17.9%	20.3%	21.9%
Answer Choice 3	5.3%	13.9%	25.6%	21.9%	15.3%
Answer Choice 4	46.1%	52.8%	43.6%	48.4%	47.4%

D42 *Have you ever asked your physician to prescribe a generic drug instead of a brand-name drug so that you could have a lower co-payment for the drug?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	67.1%	69.4%	62.5%	67.7%	66.8%
No	32.9%	30.6%	37.5%	32.3%	33.2%

D43 *Next, I am going to ask you a few questions concerning your degree of understanding about several features of your CalPERS health plan, and I'll ask you to rate your understanding of each on the one-to-five scale where one is least and five is most. First, how would you rate your understanding of how your share of the cost of your CalPERS health insurance is determined?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Mean	2.8	2.3	2.6	3.1	2.8
Median	3	2	3	3	3
Mode	3	1	3	3	3

D44 *And next, on the same scale, how would you rate your understanding of what happens regarding your CalPERS health insurance when you retire?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Mean	3.3	3.0	3.1	3.9	3.4
Median	3	3	3	4	3
Mode	3	3	3	5	3

D45 *If you could change one thing about your CalPERS health coverage, what would it be?*

Lower premiums	40.0%
Lower copayments	16.9%
More providers	9.2%
Bring back Sutter Health.....	3.1%

Conclusions from Panel D

Respondents' knowledge of how to enroll themselves and their dependents in a CalPERS health plan is high. Nine of ten respondents feel secure with their CalPERS health coverage, that it is being provided at reasonable cost, and that telephone service on health matters is good or excellent. Less than a quarter of respondents used the CalPERS web site for health matters in 2005, with those doing so giving high ratings on all aspects of their health matter experience at the site. Seven of ten respondents who contacted CalPERS in 2005 on open enrollment did so by telephone with three-fourths of these getting good or excellent service. Members have strong preference for being able to change health plans annually. Cash payments and lower premiums are the two incentives popular with respondents to make better life style choices. Respondents varied considerably in opinions on usefulness of all wellness programs mentioned, and prefer enhanced coverage for members with healthy lifestyles to help control health care costs. Two-thirds of respondents have had their physicians prescribe generic medicines to replace brand-name medicines. Respondents have only a middling understanding of how their share of health premium costs is determined and of what happens with their health coverage when they retire. Nearly one in four respondents is enrolled in duplicate health care coverage outside CalPERS.

Panel E- CalPERS Representation

E1 *Do you know how to contact your CalPERS board representative?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	58.1%	42.4%	53.8%	55.3%	52.7%
No	41.9%	57.6%	46.2%	44.7%	47.3%

E2 *Do you know that CalPERS board meetings are open to the public?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	70.3%	61.2%	54.4%	71.5%	64.5%
No	29.7%	38.8%	45.6%	28.5%	35.5%

E3 *Did you vote in the last CalPERS board election?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Yes	70.3%	61.2%	54.4%	71.5%	64.5%
No	29.7%	38.8%	45.6%	28.5%	35.5%

Caller: If no, proceed. If yes, skip to Question F1.

E4 *In a word or two, why did you not vote in the last CalPERS board election?*

Didn't know about the election	24.7%
Unfamiliar with candidates/needed more information	22.0%
Wanted to but couldn't [busy, moved, traveling, not well, etc.]	18.1%
Did not care to vote	6.6%
Didn't get ballot	4.9%
Forgot	3.8%

E5 *In a word or two, what type of information would you be interested in receiving regarding CalPERS board incumbents or other candidates?*

The only two types of responses in appreciable numbers to this question were as follows.

Deeper background information	41.4%
Work history	19.0%

E6 *In a word or two, how would you say voting in CalPERS board elections could be made easier?*

Virtually all 37 respondents who answered this question said to provide more information on how and when to vote and on candidates.

Conclusions from Panel E

Member knowledge of CalPERS elections is not high but voter participation in CalPERS elections is still higher than in national and state elections. Reasons for not voting in CalPERS elections center on not knowing about an election, scheduling, desire for more information on candidates and apathy.

Panel F- Demographic Information

F1 *Now to finish up, I need to know a little about you so that we can correctly classify your responses. Again, anything you tell me is confidential and is for analysis only. Which one of the following employment statuses best describes you?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Employed Full Time	83.2%	91.5%	76.9%	1.7%	57.9%
Employed Part Time	13.5%	7.3%	18.5%	2.6%	10.0%
Looking for Work	1.3%	0.6%	2.1%	0.0%	0.9%
Student	0.6%	0.0%	1.0%	0.0%	0.4%
Retired	1.3%	0.6%	1.5%	95.7%	30.8%

F2 *Please tell me in which of the following categories is your age. [Age categories were decades of the teens through the nineties.]*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Mean	37.0	39.3	40.6	64.5	47.0
Median	40	35	36	68	51
Mode	30s	40s	40s	60s	40s

F3 *I am going to read you the names of several ethnic groups or races. Please tell me the ethnic group or race that best describes your ethnic group or race.*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
African-American	12.3%	5.5%	5.1%	7.2%	7.3%
Asian	9.0%	5.5%	3.6%	1.7%	4.5%
Hispanic	14.8%	21.8%	21.5%	13.2%	17.6%
Non-Hispanic Caucasian	53.5%	60.0%	61.5%	71.5%	62.7%
Native American	0.6%	0.6%	1.5%	1.3%	1.1%
More than One	0.6%	1.2%	0.5%	2.1%	1.2%
Other	9.20%	5.40%	6.30%	3.00%	5.60%

F4 *Thanks. Now I will read you the names of some languages. Please tell me which language is most often spoken in your home. [Caller: Read the choices.]*

Arabic.....	0.1%
Chinese	0.7%
English	90.0%
A language of India	2.9%
Korean.....	0.0%
A Native American language	0.0%
Russian.....	0.4%
Spanish	3.9%
Tagalog	0.1%
Thai.....	0.1%
Vietnamese.....	0.1%
Other.....	1.5%

F5 *What was the highest level you completed in school?* [Caller: Read the categories.]

- ✚ *Less than high school*
- ✚ *High school*
- ✚ *Some college or technical training*
- ✚ *College graduate*
- ✚ *Post graduate work or post graduate degree*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Mean	Some college	Some college	Some college	Some college	Some college
Median	College grad	Some college	Some college	Some college	Some college
Mode	College grad	Some college	Some college	Some college	Some college

F6 *Which following marital status best describes you?*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Married	65.8%	69.1%	63.6%	56.6%	63.1%
Living With Partner	3.2%	1.8%	3.6%	2.1%	2.7%
Widow/Widower	1.9%	3.6%	2.6%	20.9%	8.4%
Single	12.9%	17.0%	17.9%	7.7%	13.5%
Engaged	3.9%	0.6%	2.1%	0.4%	1.6%
Divorced	12.3%	7.9%	10.3%	11.9%	10.7%

F7 *Last, I am going to read you some income categories. Please tell me in which category was your 2005 household income before taxes. As I mentioned, anything you tell me is strictly confidential. The categories are:* [Caller: Read the choices.]

- ✚ *Under \$25,000*
- ✚ *\$25,001-\$50,000*
- ✚ *\$50,001-\$75,000*
- ✚ *\$75,001-\$100,000*
- ✚ *\$100,001-\$125,000*
- ✚ *\$125,001-\$150,000*
- ✚ *\$150,001-\$175,000*
- ✚ *\$175,001-\$200,000*
- ✚ *Over \$200,000*

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Mean	\$80,729	\$87,500	\$67,429	\$74,424	\$76,884
Median	\$63,880	\$68,718	\$52,454	\$56,426	\$60,202
Mode	\$50-\$75,000	\$50-\$75,000	\$25-\$50,000	\$25-\$50,000	\$25-\$50,000

F8 *Record gender* [Do not ask.]

	Active State Members	Active Agency Members	Active School Members	Retired Members	Full Sample
Male	51.0%	55.2%	31.3%	48.9%	46.1%
Female	49.0%	44.8%	68.7%	51.1%	53.9%

VI. Multivariate Analysis

Who needs encouragement to use the CalPERS web site?

Older people, non-whites, non-English speakers and those without a college education. Use of the site is not related to gender or income. With one exception, this is generally the pattern of adoption of the internet and other technologies with better educated, younger people as the usual early adopters. The exception in this case is that lower-income respondents do not lag more affluent respondents in use of the CalPERS web site.

Method of Analysis Used

Examination of demographic characteristics of those who had not used the CalPERS web site as from question C6 who expressed any reason other than choice one, "Haven't needed to." The demographic analysis compared all seven of this group's demographic characteristics in panel F to the same characteristics of those who had used the web site. Hypothesis tests on the difference of two proportions or the difference of two means between users and non-users were employed.

Who has not tried health management and wellness programs?

Married, better-educated, higher-income, middle-aged whites.

We find the results of analysis of this question to be very interesting and counter-intuitive. Those who have tried one or more of the six health management and wellness programs mentioned in questions D34 through D39 tend to be in the following groups.

- ✚ Retired members
- ✚ Younger [20s and 30s] or older [60s and older] members
- ✚ All racial and ethnic groups except non-Hispanic Caucasians
- ✚ Those with a high school education or less
- ✚ Widows and widowers
- ✚ Those in the lowest income category [2005 household income of \$25,000 or less]

Gender and primary language spoken in the home did not matter regarding experience with health management and wellness programs. The strongest differences were for employment status and marital status.

Conversely, respondents who had not tried any health management and wellness program tend to be married, better-educated, higher-income, middle aged, non-Hispanic Caucasians of either gender. The two groups most likely to have used a health management and wellness program are young, low-income members and retirees, especially widows and widowers.

Method of Analysis Used

Examination of demographic characteristics of those who had and had not used any of the six health management and wellness programs mentioned in questions D35 through D39. The demographic analysis compared all seven of this group's demographic characteristics in panel F between users and nonusers of the health management and wellness programs. Hypothesis tests on the difference of two proportions or the difference of two means between users and non-users were then employed.

Why do more feel in 2006 that "CalPERS is too big and impersonal" in question A6?

The cause of the increase from 22 to 30 percent from 2002 to 2006 is unclear.

In the 2002 CalPERS Member Survey, 21.5 percent of respondents felt that CalPERS was too big and impersonal in the survey's question A6, the lowest proportion for the "yes" answer for this question in all six member surveys since 1998. This proportion rose to 29.9 percent in the 2006 Member Services and Health Subject Survey [also question A6]. The difference in proportions between the two surveys is statistically significant beyond the 99-percent confidence level. The wording of the questions was identical in the two surveys as was the randomness of the two samples. Sub-sample selection was nearly the

same in the two surveys and did not have a marked effect on this difference in proportions between the two surveys.

There was more variance within demographic groups in 2006 than in 2002 as to whether CalPERS is too big and impersonal. Some demographic groups did express higher opinion that CalPERS is too big and impersonal in 2006 than they did other groups in 2006. These groups are those with a high school education or less, Hispanics, African-Americans, active members and especially active State members. In contrast, in the 2002 survey, there were no differences of opinion by respondents of different educational attainment, and Asian-Americans were the only ethnic group to feel that CalPERS was too big and impersonal in 2002.

The conclusions are that there was a real rise from 2002 to 2006 in the opinion that CalPERS is too big and impersonal, that there was more variance in this opinion in 2006, and that the underlying reason for the rise can not be explained from the data gathered in the two surveys. A follow-up question asking those who did feel that CalPERS is too big and impersonal in the 2006 survey would have answered this.

Methods of Analysis Used

Chi-squared tests of independence were used to determine differences within demographic groups with respect to how question A6 was answered. Hypothesis tests on the difference of two proportions were used to make comparisons between the 2002 and 2006 surveys.